

## Consumer Lending Questionnaire

	Yes	No		Yes	No
<b>General Questionnaire</b>					
<i>Consumer Loan Policies</i>					
1. Has the board of directors adopted written consumer loan policies that:			6. Are persons who subsequently review or test documents supporting recorded credit adjustments prohibited from also handling cash and checks? .....		
<ul style="list-style-type: none"> <li>Establish procedures detailing loan underwriting guidelines such as: debt/income ratios, loan-to-value ratios, job stability requirements, credit history requirements, acceptable collateral, and loan terms for each type of loan? .....</li> </ul>			If not, who reviews and tests? .....		
<ul style="list-style-type: none"> <li>Establish standards for determining credit lines? .....</li> </ul>			7. Are persons who investigate reconciling items prohibited from also handling cash? .		
<ul style="list-style-type: none"> <li>Establish minimum standards for documentation? .....</li> </ul>			<i>Loan Approval</i>		
2. Does the board review consumer loan policies at least annually to determine if they are compatible with the current business plan and the marketplace? .....			8. Do authorized officers conduct loan approvals? .....		
			9. When amounts are significant, does the institution require two authorized signatures to effect approval or a status change in an individual customer account? .....		
<i>Segregation of Duties</i>			<i>Physical Security of Documents</i>		
3. Are persons who perform or review the preparation and posting of subsidiary consumer loan records prohibited from:			10. If secured property is marketable security or small personal property, does the association have physical control of the security? If so, is it:		
<ul style="list-style-type: none"> <li>Issuing official checks or drafts singly? ..</li> </ul>			<ul style="list-style-type: none"> <li>Under the supervision of an officer? .....</li> </ul>		
<ul style="list-style-type: none"> <li>Handling cash or checks? .....</li> </ul>			<ul style="list-style-type: none"> <li>Kept under dual control? .....</li> </ul>		
4. Are persons who perform or review the preparation and posting of interest records prohibited from:			<ul style="list-style-type: none"> <li>Kept in a fireproof container? .....</li> </ul>		
<ul style="list-style-type: none"> <li>Issuing official checks or drafts singly? ..</li> </ul>			<ul style="list-style-type: none"> <li>Inventoried periodically and maintained in a log? .....</li> </ul>		
<ul style="list-style-type: none"> <li>Handling cash or checks? .....</li> </ul>			<ul style="list-style-type: none"> <li>Released under controlled procedures and in a timely manner once proof of loan pay-off has been received? .....</li> </ul>		
5. Are persons who receive and investigate inquiries about loan balances prohibited from also handling cash and checks? .....			<i>Collateral</i>		
If not, who receives and investigates inquiries? .....			11. Does the association maintain records that:		
			<ul style="list-style-type: none"> <li>Detail the complete description of collateral pledged? .....</li> </ul>		
			<ul style="list-style-type: none"> <li>Are signed by the customer? .....</li> </ul>		

Exam Date: \_\_\_\_\_  
 Prepared By: \_\_\_\_\_  
 Reviewed By: \_\_\_\_\_  
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	Yes	No		Yes	No
12. When collateral value is high, does the association require that two officers review and approve the release? .....			<ul style="list-style-type: none"> <li>• Test check postings to general ledger at least weekly? .....</li> </ul>		
<i>Balancing of Subsidiary Ledgers to the General Ledger</i>			<i>Other</i>		
13. Does the association reconcile at least monthly the subsidiary consumer loan records to the appropriate general ledger accounts? .....			17. Does the association maintain a daily record summarizing loan transaction details, e.g., loans made, payments received, and interest collected, to support applicable general ledger entries? .....		
<i>Disbursements of Loan Proceeds</i>			18. Does operating management produce and review an exception report that encompasses extensions, renewals, or any factors that will result in a change in customer account status? .....		
14. Does the association segregate disbursement and loan approval responsibilities?....			19. Does management establish collection policies so that:		
<i>Operating Review System</i>			<ul style="list-style-type: none"> <li>• A delinquent notice is sent prior to a loan becoming 30 days past due? .....</li> </ul>		
15. Has the association developed procedures for monitoring compliance with established controls? .....			<ul style="list-style-type: none"> <li>• Collection effort is intensified when a loan becomes two payments past due?</li> </ul>		
16. Has the association assigned employee(s) to:			<ul style="list-style-type: none"> <li>• Records of collection efforts are maintained in the customer's file? .....</li> </ul>		
<ul style="list-style-type: none"> <li>• Review new loan documentation? .....</li> </ul>			20. Does the institution engage in subprime consumer lending activities?.....		
<ul style="list-style-type: none"> <li>• Determine proper segregation of duties and prohibit loan officers from processing loan payments?.....</li> </ul>			21. Does the institution purchase consumer loans from others? .....		
<ul style="list-style-type: none"> <li>• Recompute the amount of discount on new loans?.....</li> </ul>			22. Does the institution engage in indirect consumer lending? .....		
<ul style="list-style-type: none"> <li>• Review entries to unearned discount or income accounts?.....</li> </ul>					
<ul style="list-style-type: none"> <li>• Determine accurate and prompt posting of payments? .....</li> </ul>					

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